



Faculty of Applied and Creative Arts

**RETAIL ENVIRONMENT EXPERIENCE IN ENHANCING
SHOPPING PLEASURE : SHOE STORE CASE STUDY**

Wan Nur Adnie Binti Wan Hanafi

**Bachelor of Applied Arts with Honours
(Design Technology)
2019**

Retail environment experience in enhancing shopping pleasure : footwear store case study

WAN NUR ADNIE BINTI WAN HANAFI

This project is submitted in partial fulfillment of
the requirements for the degree of Bachelor of Applied Arts with Honours
(Design Technology)

Faculty of Applied and Creative Arts
UNIVERSITI MALAYSIA SARAWAK
2019

58263

UNIVERSITI MALAYSIA SARAWAK

Grade : A-

Please tick (/)

Final Year Project ☒

Report Masters ☐

PhD ☐

DECLARATION OF ORIGINAL WORK

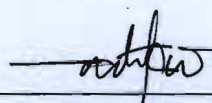
This declaration is made on the 17th of May 2019.

Student's Declaration:

I WAN NUR ADNIE BINTI WAN HANAFI, MATRIC NO. 58263 from FACULTY OF APPLIED AND CREATIVE ARTS hereby declare that the work entitled "RETAIL ENVIRONMENT EXPERIENCE IN ENHANCING SHOPPING PLEASURE : SHOE STORE CASE STUDY" is my original work. I have not copied from any other students' work or from any other sources except where due reference or acknowledgement is made explicitly in the text, nor has any part been written for me by another person.

22/5/2019

Date submitted



WAN NUR ADNIE WAN HANAFI (58263)

Supervisor's Declaration:

I DR. SITI SHUKHAILA BT SHAHARUDDIN hereby certifies that the work entitled "RETAIL ENVIRONMENT EXPERIENCE IN ENHANCING SHOPPING PLEASURE : SHOE STORE CASE STUDY" was prepared by the above named student, and was submitted to the FACULTY OF APPLIED AND CREATIVE ARTS as a * partial/full fulfilment for the conferment of BACHELOR OF APPLIED ARTS WITH HONOURS (DESIGN TECHNOLOGY) and the aforementioned work, to the best of my knowledge, is the said student's work.

Received for examination by:


(DR. SITI SHUKHAILA
BT SHAHARUDDIN)

Date: 22/05/2019

I declare this Project/Thesis is classified as (Please tick (✓)):

- ☐ **CONFIDENTIAL** (Contains confidential information under the Official Secret Act 1972)*
☐ **RESTRICTED** (Contains restricted information as specified by the organization where research was done)*
☒ **OPEN ACCESS**

Validation of Project/Thesis

I therefore duly affirmed with free consent and willingness declared that this said Project/Thesis shall be placed officially in the Centre for Academic Information Services with the abiding interest and rights as follows:

- This Project/Thesis is the sole legal property of Universiti Malaysia Sarawak (UNIMAS).
- The Centre for Academic Information Services has the lawful right to make copies for the purpose of academic and research only and not for other purpose.
- The Centre for Academic Information Services has the lawful right to digitize the content to for the Local Content Database.
- The Centre for Academic Information Services has the lawful right to make copies of the Project/Thesis for academic exchange between Higher Learning Institute.
- No dispute or any claim shall arise from the student himself/herself neither third party on this Project/Thesis once it becomes sole property of UNIMAS.
- This Project/Thesis or any material, data and information related to it shall not be distributed, published or disclosed to any party by the student except with UNIMAS permission.

Student's signature: _____

(Date : 23/5/2019)

Supervisor's signature: _____

(Date : 22/05/2019)

Current Address:

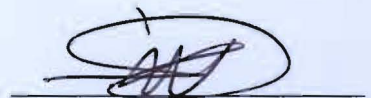
**NO. 1224 KAMPUNG GEMANG ,
17700 AYER LANAS,
KELANTAN.**

Notes: * If the Project/Thesis is **CONFIDENTIAL** or **RESTRICTED**, please attach together as annexure a letter from the organization with the period and reasons of confidentiality and restriction.

[The instrument was duly prepared The Centre for Academic Information Services]

The project entitled **Retail Environment Experience In Enhancing Shopping Pleasure : Shoe Store Case Study** was prepared by **Wan Nur Adnie Binti Wan Hanafi** and submitted to the Faculty of Applied and Creative Arts in partial fulfillment of the requirements for a Bachelor of Applied Arts with Honours (Design Technology).

Received for examination by:



(Dr. Siti Shukhaila Bt Shaharuddin)

Date:

22/05/2019

ACKNOWLEDGEMENT

First of all, I would like to express my deepest appreciation to all those who provided me the possibility to complete this Final Year Project. I am thankful and blessed that I have been given the opportunity to be in UNIMAS for my undergraduate studies.

A special gratitude I give to my supervisor, Dr. Siti Shukhaila Bt Shaharuddin, whose contribution in stimulating suggestions and encouragement, helped me to coordinate throughout my whole project. She helped me a lot in carrying out the research and never fails to give support and ideas for me to carry out this research. In addition, I would like to express my thankfulness to all graphic lectures, Miss Haslina, Mr. Sylvester, Dr. Salmiah and Dr. Mastika for their advice during my Final Year Project.

Special thanks to my family especially my parents for their financial, moral support and undying love. They have been supporting me throughout the research from the start until the end. Finally, thanks to all my friends who were there for their guidance, help and moral support that they have given me all the way until now.

TABLE OF CONTENTS

LIST OF TABLES	PAGES
DECLARATION	i
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	ix
ABSTRACT	xiii
ABSTRAK	xiv
 CHAPTER 1: INTRODUCTION	
1.1	Introduction
1.2	Research Background
1.3	Research Statement
1.4	Research Questions
1.5	Research Objectives
1.6	Significance of Research

1.2	Scope of Research	8
1.3	Research Limitation	9
1.4	Conclusion	9

CHAPTER 2: LITERATURE REVIEW

2.1	Introduction	11
2.2	Retail Environment	12
2.3	Retail Experience	12
2.4	Creativity in Spaces	13
2.5	Retail Environment Atmosphere	14
2.6	Retail Design	14
2.7	Retail Colour Study	15
2.8	Digital Retail Experience	16
2.9	Conclusion	19

CHAPTER 3: RESEARCH METHODOLOGY

3.1	Introduction	20
3.2	Research Design	20
3.3	Qualitative	21
	3.2.1 Interview	21
	3.2.2 Observational Research	22
3.4	Web Analysis	23

3.3	Customer Journey Mapping	23
3.3	Conclusion	24

CHAPTER 4: FINDINGS AND DATA ANALYSIS

4.1	Interview	25
4.2	Observational Research	29
	4.2.1 Local Shoe Store	29
	4.2.2 International Brands Shoe Stores	32
	4.2.3 Colour Study	34
4.3	Web Analysis	37
	4.1.1 Overseas Shoe Stores Design	37
	4.1.2 Digital Retail Experience	38
4.4	Customer Journey Map	44
4.5	Conclusion	46

CHAPTER 5: DISCUSSION AND CONCLUSION

5.1	Introduction	47
5.2	LSC Case Study	48
5.3	Objectives	50
5.4	Target Audience	51
5.5	Design Concept & Strategy	51

5.6	Design Development	52
5.6.1	LSC New Logo Design	52
5.6.2	Digital Fitting App Design	55
5.7	Discussion	63
5.8	Conclusion	65

BIBLIOGRAPHY

LIST OF FIGURES

FIGURES	PAGE
Figure 4.1 : Shoe store environment and atmosphere in Lea Centre	29
Figure 4.2 : Shoe store environment and atmosphere in Lea Centre	30
Figure 4.3 : The overall environment of Coneli Sports	31
Figure 4.4 : Nike store in Mid Valley Megamall	32
Figure 4.5 : Retail design and environment of Nike store in Setia City Mall	32
Figure 4.6 : Adidas store in Pavilion, Bukit Bintang	33
Figure 4.7 : Skechers store available in Vivacity Mall, Kuching	33
Figure 4.8 : Five-Color Image Scale by Shigenobu Kobayashi	34
Figure 4.9 : Five-Color Image Scale of Lea Centre & Coneli Sports	35

Figure 11 : Five-Color Image Scale of Nike, Adidas & Skechers	36
Figure 12 : House Of Hoops by Foot Locker in New York City	37
Figure 13 : Nike store retail design in USA	37
Figure 14 : Nike store environment in Barcelona	38
Figure 15 : The Nike Bootroom technology	39
Figure 16 : Virtual Footwear Wall (VFW) in Adidas store	40
Figure 17 : VFW digital retail experience	41
Figure 18 : Topshop virtual fitting room technology	42
Figure 19 : Timberland's AR(Augmented Reality) campaign	43
Figure 20 : A customer trying the Timberland's virtual fitting room	43
Figure 21 : A customer journey map of Lea Centre	44

Figure 22 : Store environment in Lea Sport Centre	49
Figure 23 : Shoe displays in Lea Sport Centre	49
Figure 24 : The original logo of Lea Sport Centre	52
Figure 25 : Logo sketch	52
Figure 26 : Logo & logomark construction	53
Figure 27 : Logo & logomark final design	53
Figure 28: Digital fitting journey mapping	54
Figure 29 : Wireframe construction	57
Figure 30 : Interface design for home page and shoe selection	58
Figure 31 : Interface design for shoe customisation	58
Figure 32 : Home page	59
Figure 33 : Selection of shoes	60

Figure 34 : Selecting a shoe 60

Figure 35 : User customising selected shoe 61

Figure 36 : Digital shoe fitting with AR 62

(Augmented Reality) technology

ABSTRACT

Retail environment and experience are two main factors involved in buying decision especially in fashion industry. Retailing has become more challenging as retailers need to offer something better than they have in the past to attract customers to come in. In today's retail environment, customers are expecting more from their shopping experience. This research project aim to study the customer's experience in the aspect of shoe store environment. This research is conducted to determine the environmental factors that may enhance customer's shopping pleasure. The research will includes the study of design aspects in the context of *CX(Customer Experience)*.

ABSTRAK

Persekitaran dan pengalaman kedai merupakan dua faktor utama yang mempengaruhi keputusan pembelian terutamanya dalam industri fesyen. Peruncitan kini semakin mencabar kerana pemilik kedai perlu menyediakan sesuatu yang lebih bagus dan seiring dengan peredaran masa untuk menarik minat pelanggan untuk datang ke kedai. Dalam persekitaran kedai pada masa kini, pelanggan menginginkan pengalaman yang lebih baik dari pembelian mereka. Projek penyelidikan ini bertujuan untuk mengkaji pengalaman pelanggan dalam aspek persekitaran kedai kasut. Kajian dijalankan untuk mengenalpasti faktor-faktor persekitaran kedai kasut yang boleh meningkatkan kepuasan pelanggan dalam membeli-belah. Kajian ini turut meliputi aspek reka bentuk interaktif digital dalam konteks CX.

CHAPTER 1

INTRODUCTION

1.1 Introduction

Competing in today's global market is becoming difficult from time to time. Directing a store's retail environment towards a memorable customer experiences by appealing to customers' senses, emotions and values may therefore seem a valuable approach for differentiating a retail store from competitors. Retail environmental design is actually a crucial aspect in retail management, but it still is an emerging discipline in the field of interior design, which focused on studying the relationship between the environment (space, lighting, furniture, etc.) and human behavior (Petermans & Cleempoel, 2010).

Today's retail environments enable consumers to experience the pleasure in aspect of consumption. Retailers are finding new ways to offer customers something unique or special in order to encourage visit to physical stores. People like to touch, feel, smell, taste, inspect, test and try on. It is an overall approach that involves both emotional and rational triggers (Meyer, 2006). A good retail environment has a potential to create a memorable visual and physical experience among customers.

This includes everything from store design, customer engagement activities and the way products are presented for display and consideration (Lutz & Zell, 2018).

1.2 Research Background

There are many different approaches when it comes to retail design. Good overall impression of retail store are such as products availability in the store, the store itself and the experience they expect when shopping at the store. Thus the store image is actually a reflection of the overall customer to store environment. Store environment is an important element in retailing given that 70 percent of the purchase was an impulse buying or unplanned purchases (Underhill, 1999).

Shopping pleasure is created from the interaction between customer perceptions of a retail environment and their emotions, satisfaction and behavioral intentions (Andreu, 2006) which can be enhanced by experience. Through the elements that exist in the store environment, retailers can create stimuli that would trigger or drive customers to buy more stuff outside of their plan.

The idea of retail therapy emerged as customers tend to engage themselves emotionally and physically in a retail environment for pleasure. An ideal retail environment experience is believed to be able to create enjoyment and excitement among customers. It can sometimes be explained as a hedonic motivation because shopping helps to achieve more hedonic goals, in particular, self-gratification and mood repair (Isen, 1984).

Nowadays retailing is not just about bricks and mortar. As the desire for experiences has risen, customers choose to invest in experiences rather than products and retailers need to provide their customers needs. In this digital and mobile era, retailing has become more challenging as customers tend to purchase everything online and they could do this in the comfort of their own home. However, with a more immersive retail experience, retailers can drive people towards their stores and give them memorable shopping experience.

With new technologies such as artificial intelligence (AI), chatbots, virtual reality (VR) and augmented reality (AR), new possibilities can be made to engage customers both in-stores and online. While mobile shopping now considered an industry standard, these emerging technologies give retailers the ability to go above and beyond to create the personalized, connected experiences customers expect today (Meixner, 2018).

Footwear retailing has evolved for a very long time and people purchase footwear goods regularly as it is a part of everyday's wear. Shoe stores are not something new. Many marketers have already venture in the retail industry and some footwear brands have become a success and widely known. From the simplest form of footwear to the most complex, many footwear types and designs have evolved from time to time.

Shoe retailers must always try to apply new ideas to sell their goods profitably and strategically. They have to ensure their brands development and secure their

brands in the market. A good marketing has always started from the retail marketing. A well designed shoe store environment and in accordance with the specified target market is believed to be able to create emotions or mood that is conducive for shopping. The emerging concept of digital technology in retail creates the possibility for shoe retailers to enhance customer experience and shopping pleasure.

Since technology is part of the in-store experience, it can be implemented in shoe store environment to improve the experience and meet customer expectations. Technology nowadays enable retailers to create an attractive environment, making the shopping experience engaging and memorable. According to Blazquez (2014), technologies such as store-ordering hubs, iPads, and display screens create a new merchandise layout and make products more accessible and convenient to buy in-store. Blazquez added that technology is the key to creating an integrated experience between channels. Technology redefines the store experience and store layouts through click-and-collect services or more advanced technologies such as interactive fitting rooms that connect with social networks.

However, it is important to note that retailers must focus on the technology that is relevant for customers and really provides value for them. In shoe retailing, sensory elements are especially important, as customers tend to stimulate their senses when they buy shoes. Therefore, the in-store experience should provide a convenient, relaxing, and fun environment that makes shopping a pleasurable experience. This can be enhanced through the application of digital technology.

This research will discuss on the environment and experience of shoe retail stores, and how digital technology may enhance shopping pleasure among customers. This research will explore the significance of technology in shoe retailing and the demand of customer-centered shopping experience. The general aim of this research is to gain a better understanding of customer shopping experience in a retail environment. The study will cover the engagement of digital technology in stores for an immersive retail experience.

1.3 Research Statement

Some of footwear retail stores are still unable to provide an ideal retail environment for their customer's shopping experience and pleasure. They tend to focus only on the marketing and sales of their products. Thus, making them less perceived from the other competitors.

Technology breakthroughs and new possibilities of digital retail environment create a new demand in the industry, as technology enables retailers to enhance the customer experience both in-store and online. Customer demands need to be investigated and retail experience needs to be adapted based on the market demand. With the increasing engagement of customers and mobile shopping, retailing has become more challenging and retailers need to upgrade their stores to cope along with the Industrial Revolution 4.0.

Malaysia footwear industry has yet to offer the digital experience to customers in the store environment. Traditional retail marketing is still adapted and online shopping has taken the industry making physical store a less demand for people. However, shoe retailing is still important as most customers want to try on shoes themselves for shopping experience and having a more secured and reliable purchase. Thus, shoe retailers need to find new solutions and concept for their store environment, through the implementation of digital technology, to enhance customer experience.

1.4 Research Questions

The research will be based on these questions:

- i. What is the current design and style of footwear retail environment used by both local and international footwear retailers?

This research will identify the current trend of retail environment in both local and international footwear retail stores. The design will includes the overall aspect of retail stores such as product and visual displays, atmosphere, lighting and signages.

- ii. How does retail environment affect customer experience and their purchasing decision?

Retail environment plays an important factor in customer experience as it may affect the preference and choice of customer in purchasing decision. This research will determine how the environment triggers customers to come and visit a store and contribute to their buying decision.

- iii. What is the new trend of retail environment design that may enhance shopping pleasure among customers?

The rise of online shopping become a challenge for retailers. Although online shopping capitalized on customer's desire for convenience, the demand of retail shopping is still exist as customers demand an immersive shopping experience for their pleasure. Thus, this research will explore more about the new trend in retail environment which focus on the engagement of retail and digital experience.

1.5 Research Objectives

There are three objectives to be achieved at the end of the study:

- i. To study the current design and style of retail environment used by both local and international footwear retailers.
- ii. To analyze the effect of retail environment towards customer experience and purchasing decision.
- iii. To propose a new style of retail environment design in enhancing shopping pleasure among customers.

1.6 Significance of Research

The significance of this research will reflect on the ways a footwear retail store can be improved considering that retail environmental design plays an important role towards shopping experience and pleasure. This research will also benefits footwear retailers and retail industry. It will also serve as a future reference for researchers on the subject of retail environmental design and retail marketing.

1.7 Scope of Research

The scope of the research is focusing on the aspect of retail environment experience which may enhance customer shopping experience. The research will be focusing on the implementation of digital experience in a shoe store environment and its significance in providing a better customer experience and journey. The research will be conducted through a few methods which are mainly qualitative. Observation and interview will be conducted for local and international shoe stores in Kuching and Kuala Lumpur to study in details about customer experience and shoe retail environment in Malaysia industry.

1.8 Research Limitation

Most of footwear retail stores in Sarawak are from local and international brands and are mainly located in shopping malls. International brands such as Nike, Adidas and Vans have smaller physical stores with limited space in Kuching, compared to